

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**SB 1005 – HB 948**

March 25, 2013

**SUMMARY OF ORIGINAL BILL:** Deletes the authority of the Board of Trustees for the Tennessee consolidated Retirement System (TCRS) to allow employment credit for previous service in a capacity other than that which is certified by an employer for service rendered to the employer or its predecessor.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (005052):** Deletes all language after the enacting clause. Establishes the “Hybrid Retirement Plan for State Employees and Teachers”. This new plan will contain elements of a defined benefit plan and a defined contribution plan. Provides language indicating the legislative intent to offer a managed option investment component to the defined contribution part of the pension plan. Authorizes the State Treasurer to offer financial education services for participants.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Unchanged from the original fiscal note.**

Assumptions for the bill as amended:

- According to TCRS, this bill as amended will not result in any additional pension liability.
- According to TCRS, this bill as amended will only affect newly hired personnel and will not impact those who have existing service in TCRS.

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**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/cce